# Message Text

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FM AMEMBASSY ISLAMABAD

TO SECSTATE WASHDC 3644

INFO AMEMBASSY ABU DHABI

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CINCPAC FOR POLAD

E.O. 11652: GDS TAGS: PFOR, PK

SUBJECT: QUARTERLY REPORT ON PAKISTAN'S FOREIGN RELATIONS

SUMMARY: THERE HAS BEEN LITTLE SIGNIFICANT MOVEMENT IN PAK FOREIGN RELATIONS OVER THE PAST THREE MONTHS. IN RETROSPECT, WHAT DID NOT HAPPEN DURING THE QUARTER SEEMS MORE IMPORTANT THAN WHAT DID. MOST OF THE DEVELOPMENTS WHICH DID TAKE PLACE WERE CONFIDENTIAL

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ALONG PREDICTABLE LINES AND DID NOT DISTURB ANY OF THE FUNDAMENT-

### AL ELEMENTS IN THE PAK FOREIGN AFFAIRS PICTURE.

THE STALEMATE IN EFFORTS FURTHER TO NORMALIZE INDO-PAK RELATIONS CONTINUED DURING THE PERIOD, DEVELOPMENTS IN BANGLADESH ADVERSELY AFFECTED PROSPECTS FOR IMBROVEMENT, WHICH DO NOT LOOK PROMISING EXCEPT IN THE TRADE FIELD. PAKISTAN CONTINUES TO TAKE A REALISTIC APPROACH IN ITS POLICY TOWARD BANGLADESH, WITH WHICH IT HAS NOW EXCHANGED MISSIONS. IT DOES NOT APPEAR TO HAVE ANY MASTER PLAN AS TO HOW TO PROCEED FURTHER TO NORMALIZE RELATIONS ONCE ITS AMBASSADOR REACHES DACCA THIS WEEK. MOST LIKELY, THE RESTORAT-ION OF DIRECT COMMUNICATION LINKSAND THE EXPANSION OF DIRECT TRADE WILL TAKE PRIORITY, WITH THE LONG-STALEMATED PROBLEMS OF FURTHER REPATRIATION OF BIHARIS AND THE DIVISION OF THE ASSETS AND LIABILITIES OF PRE-1971 PAKISTAN COMING LATER. ALTHOUGH THE GOP, AT LEAST PRIVATELY. WELCOMED THE AFGHAN GOVERNMENT'S MODERATE REACTION TO THE PAK SUPREME COURT DECISION CONFIRMING THE DISSOL-UTION OF THE NATIONAL AWAMI PARTY, THE LEVEL OF PROPAGANDA BETWEEN ISLAMABAD AND KABUL REMAINS HIGH AND VICIOUS. THE CLOSE CONNECTION IN BOTH COUNTRIES BETWEEN DOMESTIC POLITICS AND PAK-AFGHAN RELAT-IONS CONTINUES TO COMPLICATE EFFORTS TO WORK TOWARD IMPROVED TIES.

PAKISTAN'S RELATIONS WITH THE MAJOR POWERS CONTINUED IN MUCH THE SAME PATTERN AS BEFORE. THE WARMTH OF TIES BETWEEN PAKISTAN AND THE PRC WAS VIVIDLY DEMONSTRATED BY THE REACTION HERE TO THE DEATH OF CHOU EN-LAI. SUSPICION OF SOVIET ACTIVITIES AND MOTIVES REMAINED A CONSTANT THEME. US-PAKISTAN BILATERAL RELATIONS WERE MARKED BY FURTHER PROGRESS IN IMPLEMENTING THE LIBERALIZED MILITARY SUPPLY POLICY ANNOUNCED IN FEBRUARY. GOP EFFORTS TO CULTIVATE ITS BROTHER MUSLIM STATES WERE HIGHLIGHTED BY VISITS TO PAKISTAN BY THE PRESIDENT OF TURKEY AND THE CROWN PRINCE OF JORDAN. ITS CONTINUING BALANCE OF PAYMENTS PROBLEMS SEEM TO HAVE SHARPENED ITS PERCEPTION OF THE PRACTICAL SIGNIFICANCE OF THE CIEC, TO WHICH IT SENT A HIGH-POWERED DELEGATION. AND OTHER INTERNATIONAL ECONOMIC MEETINGS. PAKISTAN'S HARD-WON VICTORY OVER INDIA AND THE PHILIPPINES FOR A UN SECURITY COUNCIL SEAT WAS A GREAT SOURCE OF SATISFACTION TO THE GOP. IN THE UNSC, THE PAKS CAN BE EXPECTED TO FOLLOW THE LINE THEY HAVE TAKEN IN THE GENERAL ASSEMBLY. THEIR VOTES AND FORMAL STATEMENTS. PARTICULARLY ON THIRD WORLD AND MUSLIM CAUSES, WILL ALMOST CERTAINLY BE AN OCCASIONAL IRRITANT TO THEIR RELATIONS WITH THE US. THIS MAY BE MITIGATED SOMEWHAT BY CONFIDENTIAL.

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PAK BEHIND-THE-SCENES EFFORTS TO WORK OUT MORE MODERATE APPROACHES ON THESE ISSUES. END SUMMARY.

1. INTRODUCTION. THERE HAS BEEN LITTLE SIGNIFICANT MOVEMENT IN PAKISTAN FOREIGN RELATIONS OVER THE PAST THREE MONTHS. THE ONLY MAJOR DEVELOPMENT OF THE PERIOD, THE EXCHANGE OF DIPLOMATIC MISSIONS BETWEEN ISLAMABAD AND DACCA AT THE TURN OF THE YEAR, HISTORIC THOUGH IT WAS, WAS ONLY THE IMPLEMENTATION OF A PUBLICLY

ANNOUNCED DECISION TO ESTABLISH RELATIONS REACHED THREE MONTHS EARLIER. IT DID NOT REPRESENT ANY NEW DEPARTURE OR BREAKTHROUGH. IN RETROSPECT, WHAT DID NOT HAPPEN DURING THE QUARTER SEEMS MORE IMPORTANT THAN WHAT DID. THIS WAS PARTICULARLY TRUE IN THE KEY AREA OF PAKISTAN'S RELATIONS WITH HER NEIGHBORS. THE FACT THAT CONTRARY TO WODESPREAD APPREHENSIONS HERE AND ELSEWHERE THE INDIANS DID NOT OVERTLY INTERVENE IN BANGLADESH FOLLOWING THE UPHEAVALS THERE IN EARLY NOVEMBER WAS THE MOT SIGNIFICANT OF THESE NON-EVENTS. THE FACT THAT THE PAKISTAN

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SUPREME COURT'S DECISION CONFIRMING THE DISSOLUTION OF THE NATIONAL AWAMI PARTY WAS NOT GREETED BY ANGRY AFGHAN GOVERNMENT OUTBURSTS, AS MANY HAD EXPECTED, WAS ANOTHER ENCOURAGING NON-HAPPENING. NON-EVENTS ALSO CONTINUED TO DOG THE SIMLA PROCESS: A FRESH PAK INITIATIVE TO RESOLVE THELONG-STANDING CIVIL AIR ISSUE FAILED TO RPODUCE ANY FAVORABLE RESPONSE FROM THE GOI, AND SCHEDULED TRADE TALKS WERE TWICE POSTPONED. MOST OF THE DEVELOPMENTS WHICH ACTUALLY DID TAKE PLACE WERE ALONG PREDICTABLE LINES. THEY DID NOT CONFIDENTIAL

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DISTURB ANY OF THE FUNDAMENTAL ELEMENTS IN THE PAK FOREIGN AFFAIRS PICTURE. EVEN PRIME MINISTER BHUTTO'S FOREIGN TRAVELS WERE LARGELY UNEVENTFUL, TAKING HIM TO COUNTRIES (FRANCE, RUMANIA, SRI LANKA) MUCH LESS SIGNIFICANT IN THE PAK WORLD VIEW THAN THOSE HE HAD VISITED EARLIER IN THE YEAR (THE UNITED STATES, IRAN, SAUDI ARABIA). THE PRIME MINISTER'S OWN PREOCCUPATION WITH DOMESTIC POLITICAL PROBLEMS, AND THE FACT THAT THE BALL WAS MOSTLY IN OTHER GOVERNMENTS' COURTS WHEN INTERNATIONAL ISSUES MOST IMPORTANT TO PAKISTAN WERE INVOLVED, MADE IT GENERALLY A LESS ACTIVE PERIOD FOR BHUTTO IN HIS ROLE AS THE GOP'S PRIME FOREIGN POLICY ARCHITECT.

- 2. INDIA. THE STALEMATE IN EFFORTS FURTHER TO NORMALIZE INDO-PAKISTAN RELATIONS CONTINUED DURING THE PERIOD. THE LEVEL OF MUTUAL SUSPICION AND DISTRUST, ALWAYS HIGH, WAS RAISED FURTHER BY DEVELOPMENTS IN BANGLADESH. THE PAKS SAW IN THESE FRESH EVIDENCE OF INDIAN HEGEMONISTIC DESIGNS: THE INDIANS FOR THEIR PART WERE CONCERNED ABOUT THE POSSIBILITY OF PAK SUPPORT FOR MUSLIM COMMUNAL GROUPS AND OTHER POTENTIALLY ANTI-INDIAN PRO-PAK ELEMENTS. ATMOSPHERICS WERE FURTHER DARKENED BY AN UNFAVORABLE INDIAN REACTION TO AN UNEXPECTEDLY FORTHCOMING PAK COMPROMISE FORMULATION ON THE CIVIL AIR ISSUE, STILL THE NEXT ITEM ON THE SIMLA AGENDA. THE PAKS CONSIDERED THIS TURNDOWN OF A COMPROMISE WHICH THEY MAINTAINED CAME VERY CLOSE TO MEETING INDIAN TERMS CELAR EVIDENCE OF INDIAN INTRANSIGENCE. THEY ARE CONVINCED THAT THE GOI NOW SEES THE CIVIL AIR ISSUE IN TERMS OF RESTORED PAK AIR YERVICE TO DACCA. AND THAT IT IS MORE INTERESTED IN FORESTALLING THIS THAN IN SETTLING THE DISPUTE AND MOVING AHEAD WITH THE SIMLA PROCESS.
- 3. WHETHER OR NOT THIS APPRAISAL OF INDIAN ATTITUDES IS CORRECT, THE IMMEDIATE RESPONSIBILITY FOR THE DEAD-LOCK ON THIS BY NOW HIGHLY SYMBOLIC ISSUE APPEARS TO REST MORE CLEARLY WITH THE GOI THAN IT DID BEFORE. THIS IS NOT THE CASE IN OTHER AREAS OF DISPUTE BETWEEN THESE TWO OLD OPPONENTS. THESE INCLUDE THE CONSTRUCTION BY THE INDIANS OF A DAM IN KASHMIR WHICH THE GOP SAYS WILL UNDULY INTERFERE WITH THE FLOW OF ONE OF THE INDUS BASIN RIVERS ALLOCATED TO PAKISTAN, THE FAILURE SO FAR OF THE PAKS TO MAKE ANY SUBSTANTIAL PURCHASES FROM INDIA FOLLOWING THEIR SALE TO THE

INDIANS EARLY LAST YEAR OF LARGE QUANTITIES OF COTTON, AND THE ALLEGED CONTINUATION OF PROPANGANDA ATTACKS. CONFIDENTIAL

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4. THE BEST PROSPECT FOR AN IMPROVEMENT IN THIS UNPROMISING SITUATION LIES IN THE TRADE FIELD. AN INDIAN TRADE DELEGATION IS NOW IN PAKISTAN AND IS LIKELY TO GARNER AT LEAST SOME ORDERS. ELSEWHERE, CHANCES FOR A LIMITED IMPROVEMENT IN RELATIONS -- BOTH SIDES SEEM TO LACK THE POLITICAL WILL FOR ANYTHING MORE -- SEEM TO DEPEND SIGNIFICANTLY ON THE FURTHER TURN OF EVENTS IN BANGLADESH AND ON PAK AND INDIAN PERCEPTIONS OF EACH OTHERS' MOTIVES AND ACTIVITIES THERE. THE ABILITY OF THE POLITICAL LEADERSHIP PARTICULARLY IN INDIA TO FOCUS ON SUBCONTINENTAL RELATIONS AT

THE EXPENSE OF MORE PRESSING DOMESTIC PROBLEMS, WILL BE ANOTHER IMPORTANT CONSIDERATION. WE DO NOT EXPECT THAT MUCH WILL BE ACHIEVED OVER THE NEXT FEW MONTHS.

5. BANGLADESH. DESPITE THE CHANGES OF GOVERNMENT IN DACCA AND ITS OWN AWARENESS OF THE FRAGILITY OF AUTHORITY THERE, THE GOP HAS MAINTAINED BASICALLY THE SAME POLICY TOWARD BANGLADESH SINCE THE OVERTHROW OF MUJIB LAST AUGUST. IT HAS TAKEN A REALISTIC APPROACH IN ASSESSING ITS OPPORTUNITIES IN BD, RECOGNIZING THE CONTINUED IMPORTANCE OF THE INDIAN ROLE THERE AND THE LIMITATIONS TO ITS OWN. IT HAS URGED THE BANGALEES TO SEEK TO MAINTAIN GOOD RELATIONS WITH THE GOI AS INDISPENSABLE TO THEIR SURVIVAL AS AN INDEPENDENT ENTITY. IT HAS NOT SOUGHT TO HUSTLE THE BANGALEES INTO A CLOSER RELATIONSHIP WITH PAKISTAN, INDEED IT APPEARS TO HAVE ACTED IN DELIBERATELY RELAXED FASHION IN FOLLOWING UP THE DECISION TO ESTABLISH DIPLOMATIC RELATIONS (IN OCTOBER) WITH THE POSTING OF OFFICERS TO DACCA (IN JANUARY). AT THE SAME TIME, IT EVIDENTLY WISHES TO PARTICIPATE WITH OTHERS FRIENDLY TO APKISTAN IN BRINGING ABOUT A REORIENTATION OF BDG POLICY WHICH WILL HAVE AS ITS RESULT A LESSENING OF INDIAN AND SOVIET INFLUENCE IN DACCA, AND, IN CONSE-QUENCE, A LIMITED CHANGE IN ITS OWN FAVOR IN THE POWER

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AMEMBASSY KATHMANDU

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BALANCE OF THE SUBCONTINENT. GOP LEADERS CONTINUE TO APPEAR PLEASED WITH THE PROGRESS MADE IN DEVELOPING THIS APPROACH.

6. THE PAKISTANIS DO NOT APPEAR TO HAVE ANY MASTER PLAN AS TO HOW TO PROCEED FURTHER TO NORMALIZE RELATIONS ONCE THEIR AMBASSADOR REACHES DACCA THIS WEEK. MOST LIKELY THE REESTABLISHMENT OF DIRECT COMMUNICATION LINKS AND CONFIDENTIAL CONFIDENTIAL

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THE EXPANSION OF DIRECT TRADE, NOW LEGALIZED, WILL TAKE PRIORITY. THE TWO ISSUES DEADLOCKED IN MUJIB'S DAY --THE FURTHER REPATRIATION OF BIHARIS AND THE DIVISION OF THE ASSETS AND LIABILITIES OF UNITED PAKISTAN -- WILL PROBABLY BE CONSIDERED LATER. THE GOP EVIDENTLY HOPES THAT GIVEN THE MORE ENLIGHTENED ATTITUDE TWOARD THE BIHARIS NOW SHOWN BY THE NEW GOVERNMENT IN DACCA, FEWER OF THEM WILL WISH TO COME TO PAKISTAN, BUT IT SEEMS PREPARED TO TAKE A MORE FORTHCOMING APPROACH BOTH ON THIS ISSUE AND

ON THE ASSETS/LIABILITY DIVISION THAN IT WAS IN THE 14 MONTHS BETWEEN THE BREAKDOWN OF THE MUJIB-BHUTTO TALKS IN JUNE 1974 AND MUJIB'S OVERTHROW.

7. AFGHANISTAN. THE GOA'S MODERATE REACTION TO THE PAKISTAN SUPREME COURT DECISION CONFIRMING THE DISSOLUTION OF THE NAP WAS WELCOMED, AT LEAST PRIVATELY, BY GOP OFFICIALS AS A HELPFUL DEVELOPMENT IN PAK-AFGHAN RELATIONS. IT DID NOT LEAD TO ANY SIGNIFICANT CHANGE IN THE LEVEL OF RECRIMINATION IN THE CONTINUING PROPAGANDA BATTLE BETWEEN KABUL AND ISLAMABAD, HOWEVER. THIS REMAINS HIGH AND VICIOUS. THE GOP'S INTEREST IN TARRING EVEN ITS "LEGITIMATE" OPPONENTS WITH THE AFGHAN BRUSH DURING A PERIOD OF DOMESTIC POLITICAL CONFRONTATION WAS AN IMPORTANT ELEMENT IN KEEPING HIGH THE PAK CONTRIBUTION TO THE WAR OF WORDS.

8. THE CLOSE CONNECTION IN BOTH COUNTRIES BETWEEN DOMESTIC POLITICS AND PAK-AFGHAN RELATIONS CONTINUES TO COMPLICATE EFFORTS TO WORK TOWARD IMPROVED TIES. THE DECISION OF THE GOP TO DEBAR LEADERS OF THE DEFUNCT NAP FROM PUBLIC OFFICE, WHICH REPORTEDLY LED TO THE TORPEDOING OF PROJECTED LOW-LEVEL PAK-AFGHAN TALKS, IS ONLY THE LATEST EXAMPLE OF THIS INTERACTION. THE STRENGTHENING OF BHUTTO'S DOMINANT POSITION BOTH AT THE CENTER AND IN THE PROVINCES, NOW EVIDENT, MAY HELP AMELIORATE THIS PROZLEM ON THE PAK SIDE. IT MAY MAKE IT MORE POLITICALLY FEASIBLE FOR THE GOP TO TALK TO THE AFGHANS AND TO AVOID MOVES AND STATEMENTS WHICH COULD PROVOKE THEM, BUT IT IS UNLIKELY TO LEAD THE PAKS TO FEEL ANY GREATER SENSE OF URGENCY ABOUT IMPROVING RELA-CONFIDENTIAL CONFIDENTIAL

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TIOGU (WE SUSPECT THAT DESPITE BHUTTO'S DRAMATIC TELE-VISED OFFER IN OCTOBER TO GO TO KABUL ALMOST AT ONCE FOR TALKS THIS PROBLEM RATES FAIRLY LOW AMONG GOP FOREIGN POLICY PRIORITIES), NOR WILL IT LEAD THE GOP TO AGREE TO ANY SIGNIFICANT CONCESSIONS ON THE FUNDAMENTAL DIFFERENCES IT HAS WITH THE DAOUD GOVERNMENT.

9. OTHER SOUTH ASIA. BHUTTO'S VISIT TO SRI LANKA IN DECEMBER DEMONSTRATED AGAIN THE IMPORTANCE THE GOP ATTACHES TO GOOD RELATIONS WITH OTHER SMALLER SOUTH ASIAN COUNTRIES. THE PAKS ARE UNDER NO ILLUSIONS ABOUT THE RELATIVE POLITICAL INFLUENCE THEY AND THE INDIANS CAN BRING TO BEAR IN COLOMBO AND KATHMANDU, BUT BELIEVE THAT VARIOUS LIMITED INTERESTS CAN BE SERVED BY WARM TIES. IN THE CASE OF SRI LANKA, THESE INCLUDE THE POSSIBILITY OF ENLISTING GSL SUPPORT IN CONTINUING PAK EFFORTS FOR A SOUTH ASIAN NUCLEAR WEAPONS FREE ZONE (BY SEEKING TO WEK

THIS CONCEPT WITH PRIME MINISTER BANDARANAIKE'S OWN LONGTIME INTEREST IN AN INDIAN OCEAN ZONE OF PEACE) AND BHT BURNISHING OF PAKISTAN'S THIRD WORLD IMAGE (BY COZYING UP TO ONE OF THE LEADERS OF THE NON-ALIGNED WORLD AND HOST TO ITS NEXT SESSION). THE VISIT APPEARS TO HAVE ACCOMPLISHED LITTLE ASIDE FROM AN ENHANCEMENT OF BILATERAL GOOD WILL, HOWEVER, AND MFA OFFICIALS WERE QUICK TO ADMIT THAT BHUTTO'S TENTATIVE SUGGESTIONS ABOUT PRINCIPLES FOR AN "INDIAN OCEAN REGIME" WOULD NOT INVOLVE DIPLOMATIC FOLLOW-THROUGH IN COMING MONTHS.

10. THE MAJOR POWERS. PAKISTAN'S RELATIONS WITH THE MAJOR POWERS CONTINUED IN MUCH THE SAME PATTERN AS BEFORE. THE WARMTH OF TIES WITH THE PRC, WHICH THE GOP REGARDS AS ITS MOST RELIABLE FOREIGN FRIEND, WAS VIVIDLY DRAMATIZED BY REACTION HERE TO THE DEATH OF CHOU EN-LAI. LED BY THE PRIME MINISTER HIMSELF (WHO WOULD SURELY HAVE GONE TO PEKING FOR THE FUNERAL IF THE CHINESE HAD ADMITTED FOREIGN MOURNERS), PAK LEADERS AND EDITORIALISTS VIED WITH ONE ANOTHER IN PAYING HOMAGE TO THE PRC PREMIER. HIS PASSING SEEMED UNIVERSALLY CONSIDERED A LOSS TO PAKISTAN. SUSPICION OF SOVIET ACTIVITIES AND MOTIVES REMAINED A CONSTANT THEME. IT WAS PROBABLY HEIGHTENED BY THE VISIT OF SOVIET PRESIDENT PODGORNY TO KABUL IN CONFIDENTIAL

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DECEMBER, DESPITE THE APPARENT ABSENCE OF ANY CONSEQUENCES WORRISOME TO PAKISTAN.

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11. US-PAKISTAN BILATERAL RELATIONS REMAIN WARM AND FRIENDLY. THE PAKS WERE GRATIFIED BY THE SUPPORT WE GAVE THEM IN THEIR SUCCESSFUL BID FOR A UNSC SEAT. THEY WERE ALSO PLEASED, AS WERE WE, BY THE FURTHER PROGRESS MADE IN IMPLEMENTING THE LIBERALIZED MILITARY SALES POLICY ANNOUNCED EARLIER IN THE YEAR. THE FIRST CONTRACT UNDER THIS NEW POLICY WAS SIGNED IN DECEMBER, WITH DELIVERY EXPECTED IN MID-1976. PROSPECTS FOR A CONFIDENTIAL

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SMOOTHER MILITARY SUPPLY RELATIONSHIP WERE ENHANCED BY THE SUCCESSFUL VISITS TO THE US OF THE PAKISTAN AIR FORCES CHIEF OF STAFF AND, SEPARATELY, A HIGH-POWERED MILITARY SUPPLY TEAM. PERHAPS THE BEST INDICATION OF THE IMPORTANCE THAT PAKISTAN ATTACHES TO FRIENDLY TIES WITH THE US CAME EARLY IN THE NEW YEAR WHEN THE GOP WENT ALL OUT TO GIVE RED CARPET TREATMENT TO SENATOR GEORGE MCGOVERN AND HIS PARTY. THE SENATOR HAD USEFUL DISCUSSIONS WITH THE PRIME MINISTER -- HE WAS BHUTTO'S HOUSE GUEST AT LARKANA -- AND WITH OTHER SENIOR PAK OFFICIALS, AND HIS VISIT WAS GIVEN PROMINENT AND POSITIVE COVERAGE IN THE PAK PRESS.

12. THE MUSLIM WORLD. GOP EFFORTS TO CULTIVATE ITS BROTHER (PAK TERM) MUSLIM STATES WEEK HIGHLIGHTED BY

VISITS TO PAKISTAN BY THE PRESIDENT OF TURKEY AND THE CROWN PRINCE OF JORDAN. PRESIDENT KOROTURK'S VISIT WAS SHORT ON ACTUAL ACCOMPLISHMENT AND LONG ON GOOD WILL. IT STRENGTHENED THE ALREADY EXCELLENT RELATIONS BETWEEN PAKISTAN AND THIS CENTO/RCD ALLY, AND COULD LEAD TO A WIDENING OF RCD COOPERATIVE VENTURES. THE VISIT OF CROWN PRINCE HASSAN WAS DESIGNED INTER ALIA TO IMPROVE THE SOMEWHAT COOL RELATIONS PAKISTAN HAS HAD WITH JORDAN FOLLOWING BHUTTO'S 1972 DECISION NO LONGER TO LOOK WITH GREATER FAVOR ON THE CONSERVATIVE STATES IN THE ARAB WORLD AT THE EXPENSE OF THE MORE RADICAL. IT WAS JUDGED SUCCESSFUL HERE IN THAT CONTEXT. IN GOING TO IRAQ SOON AFTERWARDS, FOREIGN SECRETARY AGHA SHAHI WAS SEEKING A PATCHUP WITH ANOTHER ARAB STATE WITH WHICH PAKISTAN HAS NOT HAD THE BEST OF TIES. PROMPTED BY THE POSSIBILITIES SEEMINGLY OPENED BY THE ENDING OF THE DISPUTE BETWEEN IRAN AND IRAQ, WHICH HAD HAD AN ADVERSE SPILLOVER ON PAK-IRAQI TIES, IT FURTHER DEMONSTRATED THE GOP'S DETERMINATION TO SEEK WARM (AND POTENTIALLY PROFITABLE) RELATIONS WITH ALL MUSLIM NATIONS. (EXCEPTING, FOR SPECIAL REASONS, AFGHANISTAN.)

13. IRAN AND SAUDI ARABIA REMAIN THE TWO MUSLIM COUNTRIES ON WHOM THE GOP RELIES MOST HEAVILY FOR ECONOMIC AND POLITICAL SUPPORT. THERE HAVE BEEN TENTATIVE INDICATIONS CONFIDENTIAL

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THAT PAK EFFORTS TO OBTAIN FINANCIAL ASSISTANCE FROM THESE WEALTHY OPEC STATE FOR PAK PURCHASES OF MILITARY HARDWARE FROM THE US AND ELSEWHERE RECENTLY PRODUCED POSITIVE RESULTS IN TEHRAN. THE GOP IS REPORTEDLY SEEKING A STATE VISIT TO PAKISTAN OF KING KHALED, WHICH IT APPRENTLY HOPES WILL BE THE OCCASION FOR A FIRM SAUDI CASH COMMITMENT.

14. INTERNATIONAL ECONOMICS. THE PERIOD'S MAJOR ECONOMIC EVENT WAS THE DECEMBER CIEC MEETING IN PARIS, TO WHICH PAKISTAN SENT A HIGH-POWERED DELEGATION. THE GOP HAD ORGINALLY SOUGHT TO PARTICIPATE, WE SUSPECT, LARGELY FOR POLITICAL REASONS: INDIA WAS A PARTICIPANT, AND THE CONFERENCE WITHITS IMPORTANT CONNECTION WITH OPEC-LDC RELATIONS, LOOKED LIKE A GOOD FORUM IN WHICH PAKISTAN MIGHT EXERCISE INFLUENCE IN THIRD WORLD COUNCILS. MOREOVER, THE GOP KNEW THAT THE KEY DECISION CENTERS FOR THE ISSUES OF GREATEST CONCERN TO PAKISTAN WERE ELSEWHERE, CHIEFLY IN IMF AND WORLD BANK RELATED GATHERINGS.

15. THESE POLITICAL CONSIDERATIONS ARE STILL IMPORTANT.
PAKISTAN'S CONTINUING BALANCE OF PAYMENTS PROBLEMS,
HOWEVER, SEEMED BY THE DECEMBER MEETING TO HAVE SHARPENED

THE GOP'S PERCEPTIONS OF THE PRACTICAL SIGNIFICANCE OF THE CIEC AND OTHER INTERNATIONAL ECONOMIC MEETINGS. WITH IMPORTS RISING, EXPORTS STAGNATING AT ABOUT HALF THE IMPORT LEVEL, DEBT SERVICE ESCALATING, NO BIG INCREASE IN SIGHT IN BILATERAL AID FUNDS, AND AGREEMENT SLOW IN COMING ON NEW AID MECHANISMS, THE GOP IS NOW LOOKING FOR ANY AVAILABLE MEANS TO PROD THE INTERNATIONAL COMMUNITY INTO QUICKER ACTION ON RESOURCE TRANSFERS FOR HARD-HIT LDCS.

16. MULTILATERAL POLITICAL ACTIVITY. PAKISTAN'S HARDWON VICTORY OVER INDIA AND THE PHILIPPINES IN THE LONG BATTLE FOR UNSC SEAT BEING VACATED BY IRAQ, FOR MONTHS A MAJOR PREOCCUPATION OF THE FOREIGN OFFICE, WAS A GREAT SOURCE OF SATISFACTION TO THE GOP. IT WAS SEEN AS A SIGNIFICANT INDICATION OF PAKISTAN'S COMPLETE RECOVERY ON THE INTERNATIONAL STAGE FROM THE DISASTROUS SETBACK TO ITS PRESTIGE AND GOOD NAME OCCASIONED BY THE 1971 CONFIDENTIAL

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BANGLADESH WAR. THE PAKS SEEMED PARTICULARLY PLEASED WITH THE APPRENTLY GOOD SHOWING THEY WERE ABLE TO MAKE IN WINNING VOTES FROM THE NON-ALIGNED GROUP DESPITE THE EFFORTS OF LEADING NON-ALIGNED NATION INDIA TO CORRAL THIS SUPPORT. THE PAKS RECOGNIZE, HOWEVER, THAT INDIAN OPPOSITION WILL CONTINUE TO DENY THEM MEMBERSHIP IN THE NON-ALIGNED GROUP HOWEVE MUCH THEY MAY SUPPORT THE THIRD WORLD CAUSES DEAR TO IT. PROBABLY THE ONLY WAY THE GOP COULD SECURE ENTRY WOULD BE TO AGREE TO INDIAN PARTICIPATION IN MUSLIM CONFERENCES, SOMETHING IT IS IN NOW WAY PREPARED TO DO.

17. IN THE SECURITY COUNCIL PAKISTAN CAN BE EXPECTED TO CONTINUE TO FOLLOW THE LINE ITS DELEGATION HAS TAKEN IN THE GENERAL ASSEMBLY. ITS VOTES AND FORMAL STATEMENTS, PARTICULARLY ON THIRD WORLD AND MUSLIM CAUSES, WILL ALMOST CERTAINLY BE AN OCCASIONAL IRRTANT TO ITS RELATIONS WITH THE US. THIS MAY BE MITIGATED SOMEWHAT BY PAK BEHIND-THE-SCENES EFFORTS TO WORK OUT MORE MODERATE APPROACHES ON THESE ISSUES. THE PAKS WILL, OF COURSE, MAKE IT A POINT TO CALL THIS MODERATING ROLE TO OUR ATTENTION AS THEY HAVE WHEN DISCUSSING THE PART THEY HAVE PLAYED IN THE GENERAL ASSEMBLY. WHEN THE CHIPS ARE DOWN, HOWEVER, THEY WILL VOTE WITH THE ARAB, MUSLIM, AND THIRD WORLD MAINSTREAMS.

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## Message Attributes

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Subject: QUARTERLY REPORT ON PAKISTAN'S FOREIGN RELATIONS SUMMARY: THERE HAS BEEN LITTLE SIGNIFICANT MOVEMENT IN

TAGS: PFOR, PK To: STATE Type: TE

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